

ONTARIO Chicken[®] FARMER

A RELIABLE SOURCE OF INFORMATION FOR ONTARIO CHICKEN FARMERS

Ontario Chicken Farmers' *stories worth sharing*

Oshawa chicken farmer Tim O'Connor speaks up for agriculture

Ontario Farm Animal Council offers tips and techniques for speaking to the media

When Tim O'Connor was asked to attend a media training session last fall he was truly inspired by what he learned. As consumers' interest in food production grows, so does the need for farmers to speak up about agriculture in Ontario. The Ontario Farm Animal Council (OFAC) and its sister group AGCare enlisted the expertise of urban media specialist, Wallace Pidgeon, to help farmers learn how to effectively share the good news on farming with media and consumers.

There's no question farmers are the experts when it comes to food production, but sometimes being an expert makes it difficult to explain a topic, especially the complexities of agriculture, in common terms. Tim's experience speaking to groups like the Rotary Club was what made him participate in the Speak Up program. "I was looking for some guidance on how to speak with the general public versus speaking with other farmers," Tim explained. "It was a great experience. I know that everything I learned will ultimately assist me in explaining my farm practices so that all audiences can feel good about eating chicken grown in Ontario."

Tim describes the Speak Up training as invaluable because it helps farmers understand what the media is looking for and how to best share information with them. "We received a tremendous amount of information on how to convey the right message to the public," explained Tim. "Wallace explained that words we commonly use in agriculture might not be understood or appreciated the same way. Take the word 'manure' for instance. Some consumers might still associate this with the Walkerton e-coli outbreak. Instead, Wallace suggests using a term like 'litter' or 'nutrient management' so you can tell your story without raising concern amongst the audience."

The comfortable and supportive setting helped Tim quickly overcome any apprehension he may have felt about participating. The session began with individual interviews of all 14 participants. In this interview they were asked to say a little about themselves and their farm. Afterwards, everyone watched the taped interviews and learned what 'red flag' words had been used and why not to use them. The afternoon session focused on how to deliver their message and organize their thoughts.

"People in Ontario should know that the Canadian farm practices are the safest in the world," says Tim. "If developing my interviewing skills helps me share that message more effectively, then I am more than happy to participate in these media training sessions and any other like it."

With over 100 farmers having participated in the training sessions to date, it is clear that farmers want people to feel good about where and how their food is produced. "The next time I'm asked to speak to consumers, my whole focus and presentation will be different as a result of the Speak Up training," concludes Tim. ■



Training courses are run by urban media specialist, Wallace Pidgeon, and are designed to give farmers the confidence and skills needed to give media interviews or talk to urban audiences about their farming practices.

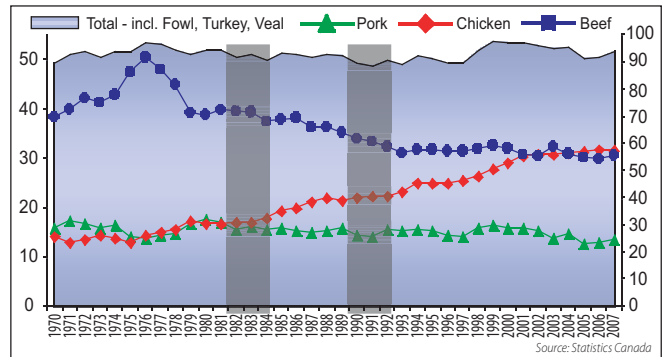
Economics

The Chicken Industry and Economic Recession: A Canadian Historical Perspective

For the last several months media reports have been dominated by articles and discussions around the inevitability of a Canadian recession. Technically, a recession comprises of at least two consecutive quarters of a decline in Gross Domestic Product (GDP). As Canada's economy moves into 2009, the consensus among economists is that Canada will be in a recession for the greater part of the year.

A recession is typically characterized by a decline in one of the aggregate demand components – consumption, investment, government spending and net exports. When consumer demand declines, business sales fall; falling business sales result in built-up inventories which then causes businesses to cut production and consequently lay off workers. This in turn diminishes aggregate income. All of these events contribute to the erosion of consumer confidence. As the downturn makes its way across the different sectors of the economy, many wonder how the agriculture sector will be impacted. More specifically, how will the chicken industry respond to a recession? One way to answer this question is to look at past recessions and see how chicken performed.

Performance is a relative term. To make a sensible evaluation, chicken should be compared to its main competitors – beef and pork. Together the three meats make up about 90% of the total meat consumption (excluding fish) in Canada. The chart illustrates annual per capita consumption of various meats since 1970.



The data used to generate the charts are expressed in terms of eviscerated kilograms for poultry and carcass weight for beef, pork, and veal. The highlighted vertical areas indicate the last two Canadian recessions. In the 1982 recession, GDP declined by 6.7% over a period of 18 months. GDP declined by 3.2% in the 1990 recession that started in the second quarter and lasted about a year.

There have been reports that chicken demand in the foodservice sector will diminish significantly due to lower income. However, this does not necessarily mean that total chicken consumption will go down as well. Roughly 60% of all chicken is sold at the retail sector (groceries, butcher shops) and chicken demand in

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WTO Update

February 12, 2009 saw the year's first full meeting of WTO Agriculture Negotiations take place. Chairman Crawford Falconer took the opportunity to discuss the fourth draft of the modalities text, distributed on December 8, 2008. Falconer reported that he had begun consulting with different coalitions as well as individual members, and that if further clarity on issues was derived from these consultations, he would reconvene "Room E" meetings with a broader representation of WTO membership.

As the global economic downturn worsens, it is unlikely that a Ministerial meeting will be called until the summer. As has been the case for some time, most of the technical work behind the Doha Round negotiations are in place. The challenge that remains is for WTO members to reach a consensus on these issues and move toward a final agreement. The economy has proven to be a considerable distraction to all parties, and it is becoming increasingly difficult to bring their focus to completing the Doha Round. Director General Pascal Lamy has consistently offered that a successful completion of the Doha Round is an integral part of a solution to the economic downturn. Lamy further suggests that the conclusion of the Doha round will be beneficial to all WTO nations, as a testament to their ability to work collaboratively to address an economic crisis.

While all countries recognize the need to keep trade lines open, many are seeking to implement new tariffs to protect domestic industries. Lamy has recognized the desire to enact policies which countries believe will safeguard their economies from current economic concerns, but has indicated the WTO will be monitoring these actions to counteract any moves toward protectionism. Recent adjustments to the US stimulus package indicate that the Obama administration will remain aligned with current terms of the country's international trade obligations. Lamy has also placed pressure on large scale economies like Japan to compromise on agricultural trade concerns – an indication that Canada could potentially be targeted in the same manner.

Outside of economic challenges, there are several other factors contributing to a delay in a potential Ministerial meeting. As was anticipated, the Obama administration continues to be in the briefing process and is formulating new policy on trade issues. The same can be expected for India which will see an election in May of this year. Again, it remains unlikely that concrete negotiations will begin until all 'key players' are ready. ■



Consumers want to Pick Ontario Freshness... and OMAFRA is here to help

Since the Ontario government's Pick Ontario Freshness strategy was launched in June 2007, many new programs and initiatives have been introduced to help educate consumers on the variety of Ontario foods available. You've probably seen the extensive consumer awareness campaign which includes transit, radio and television advertising. No one can easily forget the singing farmer and our catchy jingle, "Good things grow...in Ontario".

OMAFRA conducts research every year to see how consumers are responding to the program and what they're looking for from in Ontario food. Highlights of the study reveal:

- Consumer interest and demand for Ontario foods is growing.
- Consumers are associating a broader range of food products with Ontario – an average 10 percent increase in the predisposition toward eating Ontario foods. For example, the association with Ontario has increased for fresh meat/chicken/turkey from 47% to 58% (2007 to 2008).
- 36% of respondents say that it is VERY important that they select food produced locally (up from 25% in 2007).
- 96% reported that it was either important or very important that the provincial government promote the sale of Ontario produced foods.

Moreover, the study identified a major opportunity for the producers and processors of Ontario foods in the province. Although consumers are more interested in finding Ontario foods in grocery stores and on restaurant menus, it can be a challenge to align the production, processing and retail chain to be able to identify and promote it at the store level. If consumers are looking for Ontario foods, we need to provide the means to find them and OMAFRA can help.

Foodland invites producers and processors to work with them in promoting the good things that grow in Ontario. For more information about Foodland Ontario and its programs, please visit www.foodlandontario.ca or contact Martin Bohl at (519) 826-4454 or at Martin.bohl2@ontario.ca.

Ontario's food sector can also access funding for the promotion of Ontario food products through the Ontario Market Investment Fund (OMIF), which was launched in July 2008.

For more information about OMIF or to discuss project ideas, please visit www.ontario.ca/omif or call the Agricultural Information Contact Centre at 1-877-424-1300.■



Poultry Sector makes list of Canada's 50 Best Managed Companies

Grand River Foods is recognized for their flexible and responsive business model



Grand River Foods was named one of Canada's 50 Best Managed Companies because of their exceptional management abilities and practices. Grand River Foods attributes their success to a flexible and responsive business model that anticipates the customers need for innovative food products and efficiently meets demand for fresh chicken. Grand River Foods has establishments in Paris, Beamsville and Cambridge. "We recognize that the nature of this award stems directly from the efforts of our 520 dedicated employees, our outstanding supplier relationships including our 120 Ontario producers, and our loyal customers who continue to support Ontario chicken" explained Grand River Foods President Craig Richardson. Grand River Foods will continue to promote best in practice activities as they strive to remain one of Canada's 50 Best Managed Companies.

Comments from the CEO

As we move into 2009, I'd like to share with you CFO's principal business objectives.

Firstly, we want to deliver value for our farmer-stakeholders, for Ontario consumers, and for our industry business partners. Secondly, we want to earn the respect and trust of the Ontario chicken industry through our leadership and the results we achieve.

In 2009, these objectives will be pursued with vigor to achieve the dynamic and vibrant

chicken industry, and quality CFO organization, that we're committed to building.

Together with the Board of Directors and staff, we've developed a business transformation plan – our Plan for Success, with the goal of making CFO a more effective industry leader.

Our business operating goal is to significantly improve every aspect of our business in 2009. This will require leadership in

ideas, actions and continual improvement. Success comes from always moving ahead, making progress day after day.

Every aspect of CFO is hard at work executing the Plan for Success to deliver value and growth. Since joining CFO, I've been impressed by the dedication and the talent of our CFO employees. It is because of these qualities that I have confidence in CFO's ability to deliver on our plan.

– Rob Doungans

Upcoming Events

Don't Forget

Chicken Farmers of Ontario
2009 Annual General Meeting
March 23, 2009

This year's Annual General Meeting will take place on March 23 at the **Delta Meadowvale Resort and Conference Centre**.

If you have not RSVP'd, contact Genevieve Bryant at **(289) 288-4233** or **Genevieve.bryant@cfo.on.ca** by March 13.

Ontario Farm Animal Council and AGCare 2009 Joint Annual Meeting

On March 12 Ontario Farm Animal Council and AGCare will be hosting their 2009 Joint Annual Meeting at Guelph Place located on 492 Michener Road, Guelph, Ontario.

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this segment is expected to increase. The simple explanation is that consumers want more 'bang for their buck' when income is limited. They may reduce their restaurant visits and eat home prepared meals more frequently to lower the amount of money spent on food. Conceivably, the volume of chicken need not decrease even when total income drops. There is an expected shift in consumption behaviour as it relates to where consumers buy their chicken. In comparison to the two previous recessions, chicken is well-positioned to remain the number one choice of meat for Canadians because of its healthy benefits, convenience and easy meal preparation. ■

News from the Districts

In an effort to better understand Ontario's chicken industry as a whole, the Ontario Chicken Farmer will feature one of its nine districts in each upcoming newsletter.

We will profile each district by sharing general information such as the current Board Director and District Committee Representatives, production numbers, registered premises numbers and advocacy initiatives. We will also take this opportunity to share issues, challenges and other topics unique to that district that are worth sharing with the broader community.

District 6

District 6 is comprised of the Brant, Hamilton Wentworth and Halton regions. This district has 62 registered premises, totaling 1,814,564 basic quota units. District 6's Board Director is Murray Opsteen, a second generation chicken farmer from Waterdown. Every District faces issues and challenges, for District 6, one of their key challenges stems from their geographical location within the Greenbelt. Being partially located within the Greenbelt, there are additional regulations that must be followed as well as rules pertaining to land use restrictions. Another interesting dynamic found in this district is the proximity between the rural and urban communities. Chicken farmers from this district have found ways to utilize the proximity they have with their urban neighbours by marketing a portion of their chicken themselves under the self marketing policy. As well, they are able to reach the urban public and educate them about chicken production by participating in a number of fairs throughout the year. "We attend these fairs in order to increase the profile of chicken farmers and the wholesomeness of Ontario grown chicken" explains Murray Opsteen. "These fairs are attended by a large urban audience which gives us a chance to inform consumers who might not have a strong connection to how their food is produced".

The District Committee Representatives (DCRs) for District 6 are Clark Merritt, Murray Opsteen's brother John Opsteen and Mike Vilaca. Murray describes the District 6 DCRs as very involved. "They are always listening to other farmers so that they can bring issues or ideas to the Board table. They also offer a lot of thought-provoking ideas on how to carry this industry into the future." ■

We'd like your feedback!

Brian Lewis, a second generation chicken farmer from Lucan, and a district 3 DCR, reads every issue of the newsletter: "I find the information relevant; I want to be up-to-date on the WTO talks and allocation. Anything that impacts my business is important to me. I'd also be open to reading the newsletter online if mailing is too costly".

Tell us what you think

We'd like the newsletter to provide information you're interested in reading. Email your comments/suggestions to **newsletter@cfo.on.ca** or phone Megan McCune, Communications Coordinator, at **(289) 288-4206**.

The logo for 'Chicken' is written in a stylized, cursive font with a yellow-to-orange gradient. The letters are slightly shadowed to give a 3D effect.

Ontario Chicken Farmer is published by:

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